COPY

Portsmouth, May 20th 1904.

Mr. J. M. Barr,
President & General Manager.
Portsmouth,Va.

Dear Sir:--

Returning all papers received with yours of April 24th. No doubt a line constructed through the territory described by Mr. West, aswell as the one which is contemplated by Mr.J.P.Williams and Associates, would open up a very large and valuable tract of timber and would be a source of considerable revenue to these lines, so long as the lumber lasted, but I do not see that there will be anything to supply a tonnage for the railroad after the lumber is cut out.

As to St.Andrews Bay becoming a popular route, this might be, so far as Coastwise business is concerned, but I hardly believe it will ever be a port for foreign commerce; at least it would not be to our advantage to establish lines at that point for working up a foreign business. The L & N have made the statement on several occasions, as you know, that their road lying in that part of Florida is not self sustaining, and I believe this would be the fate of any line constructed in that part of the country, particularly after the lumber was exhausted.

The scheme looks very plausible and attractive on paper, but I do notbelieve there is much money in it, except to those who own the stumpage.

Yours truly,

(Signed) E FCost
Second Vice President.